



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt
Division Director

September 26, 2014

Ms. Yvonne R. Tocco
Curo Health Services
491 Williamson Road
Suite 204
Mooresville, NC 28117

No Review

Facility or Business: Community Home Care & Hospice, LLC d/b/a Community Home Care and Hospice
Project Description: Relocate existing facility within the same county
County: Wayne County
FID #: 030499

Dear Ms. Tocco:

The Certificate of Need Section (CON Section) received your letter(s) of September 1, 2014 and September 23, 2014 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

Moreover, you need to contact the Acute and Home Care Licensure and Certification Sections of the Division of Health Service Regulation to determine if they have any requirements for the relocation of the existing Home Care and Hospice Agency.

It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by the Certificate of Need Section. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-733-8139

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

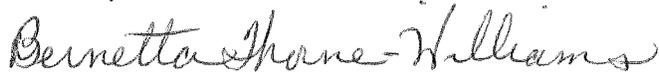
An Equal Opportunity/ Affirmative Action Employer



Ms. Tocco
September 26, 2014
Page 2

Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D. # (FID) if the facility is licensed.

Sincerely,



Bernetta Thorne-Williams, Project Analyst



Martha J. Frisone, Interim Chief
Certificate of Need Section

cc: Medical Facilities Planning Branch, DHSR
Acute and Home Care Licensure and Certification Section, DHSR



September 1, 2014

Received by
the CON Section
SEP 5 2014

VIA FEDERAL EXPRESS

Mr. Craig Smith, Chief
Certificate of Need Section
Division of Health Service Regulation
North Carolina Department of Health and Human Services
2704 Mail Service Center
Raleigh, North Carolina 27699-2704

Re: Site Relocation for Community Home Care & Hospice, LLC d/b/a Community Home Care and Hospice (License Number: HOS 2361; Facility ID: 020174) (Wilson County/Health Service Area VI)

Dear Mr. Smith:

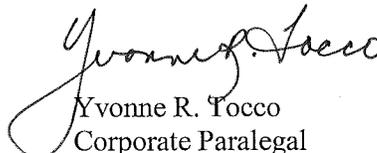
Pursuant to N.C. Gen. Stat. § 131E-184(a), we are writing to notify you that the above-identified hospice agency, currently located at 1201 Wayne Memorial Drive, Unit C, Goldsboro, NC 27534 (the "Current Location"), will be relocating its office to 2309 Wayne Memorial Drive, Goldsboro, NC 27534 (the "New Location"), effective October 1, 2014. The Current Location is operated under license number HOS 2361. Attached for your review is a copy of the lease for the New Location.

This relocation is being made as a result of the termination of the Current Location's lease. The New Location is located approximately 0.7 miles and approximately 2 minutes from the Current Location. As such, both the Current Location and the New Location are within the original service area of the hospice agency. This relocation does not involve any activities that would implicate the definition of "new institutional health service" as that term is defined in N.C. Gen. Stat. § 131E-176(16).

The relocation is scheduled to occur on October 1, 2014. In advance of that date, we would appreciate your written confirmation that the proposed relocation does not require a CON.

Thank you for your time, and if you have any questions or need additional information, please do not hesitate to contact me at (704) 662-0418 or via email at ytocco@curohs.com. We appreciate your consideration of this matter.

Sincerely Yours,


Yvonne R. Tocco
Corporate Paralegal
Curo Health Services

Enclosure

LEASE AGREEMENT

LANDLORD: Baby Girl Properties, L.L.C.

TENANT: Community Home Care & Hospice, LLC

DATE: June 27, 2014

PREMISES: 2309 Wayne Memorial Drive
Goldsboro, NC 27534

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made as of the 27th day of June, 2014, (the "Effective Date"), by and between BABY GIRL PROPERTIES, L.L.C., a North Carolina limited liability company ("Landlord"), and COMMUNITY HOME CARE & HOSPICE, LLC, a Delaware limited liability company ("Tenant").

1. PREMISES.

- (a) **Premises.** Landlord leases to Tenant, and Tenant leases from Landlord, upon the terms and conditions contained in this Lease, commercial office space consisting of approximately 3,400 usable square feet of exclusive space (the "Premises"), being all of the office located at 2309 Wayne Memorial Drive, Goldsboro, NC 27534. The Building of which the Premises is a part (the "Building") is situated on the land (the "Land") as further described on Exhibit "A" attached hereto. The Building and the Land shall be collectively referred to as the "Property." Landlord expressly agrees, and the parties hereto understand, that the Premises as described and diagrammed in Exhibit "B" is to be exclusively used by Tenant throughout the Term of the Lease.
- (b) **Common Areas.** Tenant shall have the non-exclusive right to use all portions of the Property intended for common use, including all areas external to the Building, as common areas (the "Common Areas"). Tenant shall enjoy and use the Common Areas equally with other tenants in the Property.
- (c) **Parking Lot.** Tenant has the non-exclusive right to use the parking lot situated on the Land (the "Lot").

2. TERM OF LEASE.

- (a) **Term.** The term of this Lease is three years, commencing on October 1, 2014 (the "Commencement Date"), and terminating on September 30, 2017 (the "Initial Term"). Upon termination of this Lease for any reason during the first year of the Initial Term, the parties shall not enter into a new agreement covering the subject matter of this Lease with compensation terms that differ in any respect from those set forth in this Lease until more than one year after the Commencement Date has passed.
- (b) **Extension of Term.** Tenant may extend the Initial Term of this Lease for one additional period of three years (the "Renewal Term", and collectively with the Initial Term, the "Term") by providing Landlord with notice of Tenant's intent to exercise its extension option at least 90 days prior to the last day of the Initial Term.

3. **RENT.**

- (a) **Initial Term Rent.** Commencing on November 1, 2014, Tenant shall pay Landlord monthly rent in the following amounts (“Rent”), in advance and without demand, on the first day of each month during the Initial Term:

Time Period	Monthly Rent
11/1/2014 – 9/30/2016	\$2,100.00
10/1/2016 – 9/30/2017	\$2,200.00

No Rent is due for the month of October 2014.

- (b) **Renewal Term Rent.** If Tenant extends the Term of this Lease for the Renewal Term, Tenant shall pay Landlord monthly Rent in the following amounts on the first day of each month during the Renewal Term:

Time Period	Monthly Rent
10/1/2017 – 9/30/2019	\$2,300.00
10/1/2019 – 9/30/2020	\$2,400.00

- (c) **Payment.** Tenant shall deliver all payments of Rent to Landlord at the address set forth in Paragraph 15 herein or, upon notice to Tenant, at another location. If the Rent is not paid by Tenant within (10) days after Tenant’s receipt of notice from Landlord that such installment of Rent was not paid, then Tenant agrees to pay the late charge of Five Dollars (\$5.00) per each additional day thereafter until the past due installment is paid in full. Any late fee assessed against Tenant as set forth herein shall be used to compensate Landlord for additional administrative costs, expenses and as liquidated damages caused by the late payment.
- (d) **Management.** Tenant and Landlord acknowledge that to the extent that Tenant engages a third party to act as a property manager to perform its maintenance obligations under Paragraph 11 of this Lease (the “Property Manager”), such Property Manager shall not perform any obligations that are the responsibility of the Landlord hereunder. If applicable, Tenant shall be responsible for paying a management fee earned by the Property Manager and any costs associated with the work performed by the Property Manager on behalf of Tenant, in amounts and in a manner mutually agreed to from time to time by the Tenant and Property Manager.

4. **USE AND OCCUPANCY OF THE PREMISES.**

- (a) The Premises may be occupied only for commercial (non-residential) purposes and may be used as professional offices and for related purposes. No other use shall be permitted without the prior consent in writing of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord represents and warrants to Tenant that, pursuant to applicable law (including local rules, regulations and ordinances), the Premises may be used, and is ready to be used, as

professional offices and for related purposes. Landlord shall not take any action to alter or amend, or voluntarily permit the alteration or amendment of, the certificate of occupancy (or similar certificate) for the Premises in such a way that the Premises will no longer be allowed to be used for the permitted use set forth in this Paragraph 4(a).

- (b) Tenant's use and occupancy of the Premises shall be in conformance with all applicable federal, state and local rules, regulations, laws and ordinances now in force or that may be enacted in the future. Tenant shall not store any flammable, hazardous, or toxic substances or engage in any activity on or about the Premises which activities or substances expose Tenant, Landlord, or others to an unreasonable risk of injury, loss or damage.
- (c) Notwithstanding anything in this Lease to the contrary, but subject to Paragraph 18(k), Landlord shall not require Tenant to undertake any construction or alterations in the Premises or Building in order to comply with laws, rules, regulations, orders, ordinances, directions or requirements of any governmental authority or agency except to the extent that the construction or alteration is required as a result of any particular use (including any alterations) of the Premises by Tenant. If any portion of the Premises is in violation of any such laws, rules, regulations, orders, ordinances, directions or requirements, and that violation is not a result of Tenant's particular use of the Premises, then to the extent that violation materially and adversely interferes with Tenant's ability to conduct its business in the Premises or subjects Tenant to any fine or penalty, Landlord shall, within a reasonable period of time after notice from Tenant, correct the condition at Landlord's expense.

5. LANDLORD'S WORK.

Landlord shall, on or before the Commencement Date, in a good and workmanlike manner and at Landlord's sole cost: (a) replace any damaged or stained ceiling tiles in the Premises; (b) have the entire interior Premises cleaned by a professional cleaning service; (c) have the carpets within the offices along the interior perimeter of the Premises professionally cleaned (and use best efforts to remove any carpet stains within those offices); and (d) repair or replace any non-functioning light bulbs, fixtures or ballasts within the interior of the Premises (collectively, the "**Landlord's Work**"). If Landlord has not completed the Landlord's Work to Tenant's reasonable satisfaction on or before the Commencement Date, then Rent due under this Lease shall abate by 50% for the period during which the Landlord's Work remains outstanding. Neither Landlord nor any affiliate of Landlord shall charge any overhead, administrative or similar fee to Tenant in connection with any work performed or overseen by Landlord or any affiliate of Landlord within the Premises.

6. SECURITY DEPOSIT.

Tenant shall deliver to Landlord, concurrently with the execution and delivery of this Lease, \$2,000.00 to be held by Landlord as security for Tenant's performance of the terms and conditions of this Lease (the "**Security Deposit**"). Landlord shall return the unapplied portion of

the Security Deposit to Tenant within 30 days after the expiration or earlier termination of this Lease.

7. DESTRUCTION OF PREMISES.

Tenant shall notify Landlord as soon as reasonably possible of any casualty loss in or about the Premises and Tenant shall promptly notify Landlord of any circumstance or condition in or about the Premises that Tenant has actual knowledge of and which threatens the Premises, the Property or the safety of Tenant, Landlord or others. If the Premises is partially or completely destroyed by fire or other casualty, Tenant shall have the right and option to (a) continue to occupy the habitable portion, if any, of the Premises, or (b) terminate this Lease and receive an immediate return of all sums prepaid by Tenant through the date of transfer of possession to Landlord. Tenant shall not have the option of terminating this Lease if the loss was the result of the negligence of Tenant, Tenant's employees or business invitees and Landlord restores the Premises within ninety (90) days of the said damage. If Tenant elects to continue to occupy the habitable portion of the Premises after a casualty, Rent shall be proportionately abated based on the usable portion of the Premises, Building and/or Lot (in Landlord and Tenant's reasonable opinions) until such time as the Premises, Building and/or Lot are fully restored to the condition existing immediately prior to such casualty.

8. INSURANCE.

Landlord shall insure the Building with a property insurance policy at full replacement value of the Building with coverage for "all-risks" or "special" perils, including fire, lightning, extended coverage, vandalism and malicious mischief, sprinkler leakage, earthquake, wind, hail and flood. Tenant shall insure Tenant's personal property in or about the Premises.

Landlord and Tenant shall maintain commercial general liability insurance coverage of not less than One Million Dollars (\$1,000,000.00) per occurrence and One Million Dollars (\$1,000,000.00) in the aggregate, insuring against injury or death to persons occurring in or about the Premises or on the Property. Landlord and Tenant shall name the other on all policies of insurance obtained regarding the Premises, each as their interest may appear. In addition, Tenant shall name Kelly Knowles, Landlord's manager, as an additional insured on Tenant's commercial general liability insurance policy. Landlord and Tenant shall each give the other at least ten (10) days' prior notice of the cancellation of any such policies. Landlord and Tenant shall be entitled to a certificate of insurance no later than ten (10) days after the expiration date of the then existing policies, together with evidence that the premiums have been prepaid for the full term of the policies.

Notwithstanding anything in this Lease to the contrary, Landlord and Tenant hereby waive and release each other of and from any and all rights of recovery, claims, actions or causes of action against each other, their agents, officers, representatives, employees, servants, contractors and invitees for any loss or damage that may occur to the Premises, improvements or fixtures therein or thereon, or any personal property within the Premises, from any cause whatsoever, to the extent insured against under the terms of the policies required hereunder, regardless of cause or origin, including the negligence of Landlord or Tenant or their agents, officers, representatives, servants, employees, contractors or invitees.

Landlord and Tenant shall cause each insurance policy required under this Lease to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by such policy.

9. SUBLETTING AND ASSIGNMENTS.

Tenant may not assign this Lease or enter into any sublease agreement for the Premises without the prior consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed; except that Tenant may assign its rights and obligations under this Lease without Landlord's consent to (a) an entity that controls, is controlled by or is under common control with Tenant, (b) the purchaser of all or substantially all of Tenant's assets or (c) an entity into which Tenant merges. A change in the ownership or control of Tenant shall not be deemed an assignment of this Lease.

10. INDEMNIFICATION.

Tenant shall indemnify, hold harmless and defend Landlord, at Tenant's expense, from and against any and all actions, claims, demands and expenses (including, without limitation, reasonable attorneys' fees and costs) to the extent relating to or arising from, directly or indirectly: (i) the gross negligence or willful misconduct of Tenant or Tenant's employees, agents or invitees, and (ii) any failure on the part of Tenant to perform any of the agreements, terms, covenants or conditions of this Lease required to be performed by Tenant hereunder.

11. MAINTENANCE OF PREMISES.

Tenant shall use due care in the use of the Premises and all heating, ventilating and air conditioning systems within the Premises.

Landlord shall maintain in good order and repair, including making any necessary repairs and replacements of: the Common Areas; roof; outside walls; the mechanical systems (excluding HVAC, which is handled below); other structural parts of the Building; the Lot; driveways and sidewalks; trees and shrubs; the sewer, water pipes and other plumbing matters (but not including plumbing fixtures and faucets); the electrical wiring; all other items that are capital in nature (except to the extent set forth as Tenant's responsibility below); and all other items not specifically designated to Tenant under this Lease.

Tenant's obligations for maintenance shall include: interior lighting, painting and decorating; floor coverings; voice and data communications lines and equipment; plumbing fixtures and faucets; exterior and interior door systems and locks; glass windows and doors; Tenant's pylon sign tubes and ballasts; smoke detectors and fire extinguishers; and carpeting.

Tenant shall have the heating and air conditioning equipment serving the Premises serviced once per each year of this Lease by a professional contractor, and shall change the HVAC filters every thirty (30) days. Tenant shall be responsible for the cost of each service call for the malfunction of the heating and air conditioning equipment, up to \$1,000 per service call. Landlord shall be responsible for all HVAC service call costs to the extent exceeding \$1,000 in any call, and the

cost of all replacements of the HVAC units or systems required in order to keep the unit or system in good working order.

Landlord represents and warrants that the HVAC system and all other portions of the Premises that Tenant is responsible to maintain are in good working order and repair as of the Commencement Date, and shall ensure for the first thirty (30) days of Tenant's occupancy that all of those systems and items remain in good working order and repair.

Tenant, after obtaining Landlord's consent (which consent shall not be unreasonably withheld, conditioned or delayed), shall also have the right to make nonstructural alterations and improvements to the Premises, as long as such alterations and improvements are performed in compliance with all applicable laws and at Tenant's sole cost.

12. RIGHT OF ENTRY.

Landlord, Landlord's agent and persons authorized by Landlord shall have the right, after reasonable prior notice to Tenant, to enter the Premises at all reasonable times to inspect, perform maintenance, do repairs and show the Premises to prospective purchasers or during the last six (6) months of the Term to prospective tenants; provided that in no event shall such access rights unreasonably interfere with Tenant's use of the Premises.

13. UTILITIES; TAXES.

- (a) **Utilities.** The following charges for utilities and services supplied to the Premises shall be paid directly by Tenant (each of which Landlord shall cause to be separately metered or assessed): cable, telephone, electric, natural gas (if applicable), water, refuse removal, sewer and internet.
- (b) **Taxes.** Landlord shall pay all real estate and other similar taxes or assessments assessed against Landlord or the Property.

14. REMEDIES.

The parties acknowledge and agree that time is of the essence and if Tenant shall fail to pay the Rent when due, or if Tenant shall breach any other term or condition of this Lease, then Landlord after the applicable notice and cure period shall have the right and option to pursue any remedy available under applicable laws.

Notwithstanding anything herein to the contrary, Landlord cannot exercise any of its remedies contained in this Lease (other than the assessment of a late charge on Rent as set forth in Paragraph 3(c)) unless: (a) any monetary default remains uncured and such failure continues for a period of ten (10) business days after notice from Landlord to Tenant; or (b) any non-monetary default remains uncured for a period of thirty (30) calendar days after notice from Landlord to Tenant (or such longer time period if reasonably required to cure such non-monetary default and Tenant has commenced curing the default within the said thirty (30) calendar day period). To be effective, any default notice provided by Landlord hereunder must conspicuously state that it is a notice of default.

All remedies contained in this Lease shall be cumulative and concurrent. If Landlord shall pursue any remedy, it shall not be deemed to be a waiver of the right to seek any other remedy that may exist. Either party shall have the right to require strict compliance with the terms and conditions of this Lease without having insisted upon strict compliance at any time during the Term of this Lease. Any conduct which is inconsistent with the right to insist upon strict compliance shall not be a waiver of the right to insist upon strict compliance in the future, shall not create a custom, and shall not modify the terms and conditions of this Lease.

Landlord shall use its commercially reasonable efforts to mitigate its damages in the event that Tenant breaches this Lease.

15. NOTICES.

Any notice, consent, or other communication required or permitted to be given under this Lease must be in writing and shall be effectively given or delivered if hand delivered to the addresses for Landlord and Tenant stated below or if sent by certified, registered or Post Office Express United States Mail, return receipt requested, or FedEx or another nationally recognized overnight courier to said addresses. Any notice mailed shall be deemed to have been given upon the earlier of (a) receipt or refusal thereof, or (b) three days after depositing the same in the U.S. Mail as aforesaid or the next business day after deposit with a nationally recognized overnight courier. Notice effected by hand delivery shall be deemed to have been given at the time of actual delivery. Either party shall have the right to change its address to which notices shall thereafter be sent and the party to whose attention such notice shall be directed by giving the other party notice thereof in accordance with the provisions of this Paragraph 15.

Landlord: Baby Girl Properties, L.L.C.
 P.O. Box 533
 Goldsboro, NC 27533

Tenant: Community Home Care & Hospice, LLC
 2309 Wayne Memorial Drive
 Goldsboro, NC 27534
 Attn. Director of Operations

With a copy to: Curo Health Services, LLC
 491 Williamson Road, Suite 204
 Mooreville, NC 28117
 Attn. Douglas J. Abell, Chief Compliance Officer

16. LANDLORD'S COVENANT.

As of the Commencement Date, Landlord represents and warrants to Tenant that all leases, subleases and other occupancy agreements currently existing with respect to the Premises are terminated and of no further force and effect.

17. SURRENDER.

Upon termination of this Lease for any cause, Tenant shall peaceably surrender possession of the Premises to Landlord in as good order and repair as upon the Commencement Date, excepting casualty, reasonable wear and tear, and items required to be maintained or repaired by Landlord pursuant to this Lease. Tenant shall notify Landlord of any repairs or the need for repairs within the Premises of which Tenant has actual knowledge. Trade fixtures and equipment that Tenant installs in or on the Premises shall not be deemed a part of the Premises and Tenant may remove those trade fixtures and equipment any time during the Term or upon the termination of this Lease. Tenant shall, at its expense, repair any damages to the Premises caused by its removal of said property.

18. MISCELLANEOUS.

- (a) **Eminent Domain.** If all or any part of the Premises shall be condemned under the government's power of eminent domain, this Lease shall terminate as to the portion taken and the Rent due hereunder shall be proportionately abated based on the square footage taken pursuant to such power of eminent domain. Notwithstanding anything herein to the contrary, in the event that a material portion of the Premises, Common Area (including, without limitation, the Lot) or Building is taken, Tenant shall have the right to terminate this Lease on notice to Landlord, which termination shall be effective as of the date of the taking. Landlord shall not be liable to Tenant for any claims by Tenant for loss of use of all or any portion of the Premises (or the Building) or because this Lease has been terminated. Landlord shall give Tenant prompt notice of any proposed eminent domain proceeding.
- (b) **Binding Effect, Amendments, Choice of Law.** This Lease shall be binding upon the heirs, executors, personal representatives, successors and assigns of the parties hereto. All rights and remedies of Landlord and Tenant under this Lease shall be cumulative and none shall exclude any other rights or remedies allowed by law. This Lease is declared to be a contract, and all of the terms hereof, and all disputes between the parties arising out of or relating to this Lease, shall be construed according to and governed by the laws of the state where the Property is situated. This Lease may not be altered, changed or amended, except by an instrument in writing executed by all parties hereto, subject to all applicable laws.
- (c) **Consents and Approvals.** Tenant is a Delaware limited liability company. Tenant warrants that all consents or approvals required of third parties for the execution, delivery and performance of this Lease have been obtained and that Tenant has the right and authority to enter into and perform its covenants contained in this Lease. Landlord is a North Carolina limited liability company. Landlord warrants that all consents or approvals required of third parties for the execution, delivery and performance of this Lease have been obtained and that Landlord has the right and authority to enter into and perform its covenants contained in this Lease.

- (d) **Severability.** If any term or provision of this Lease, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and shall be enforceable to the extent permitted by law.
- (e) **Exhibits and Schedules.** This Lease includes all of the Exhibits and Schedules attached hereto. The terms and conditions included in the attached Exhibits and Schedules, if any, are part of this Lease.
- (f) **Real Estate Broker.** Each party hereto warrants and represents to the other that no real estate broker or salesman has been involved in the negotiation or execution of this Lease, and each party agrees to indemnify and hold the other harmless from and against any and all claims of any other real estate broker or salesman that arise from the acts of the indemnifying party or its representatives.
- (g) **Compliance.** The parties acknowledge and agree that the remuneration set forth herein has been negotiated in an arm's-length transaction and represents the fair market value and has not been determined in a manner which takes into account the volume or value of referrals or business, if any, that may otherwise be generated between the parties or their employees or contractors. Nothing contained in this Lease shall be construed in any manner as an obligation or inducement to the making of any patient referrals or to generate any other business. Furthermore, the Premises does not exceed that which is reasonably necessary to accomplish the commercially reasonable business purpose of Tenant.
- (h) **Change of Law.** In the event that any governmental or nongovernmental agency, or any court or administrative tribunal passes, issues or promulgates any new, or change to any existing, law, rule, regulation, standard, interpretation, order, decision or judgment (individually or collectively, "**Legal Event**"), which a party (the "**Noticing Party**") reasonably believes (a) materially and adversely effects either party's licensure, accreditation, certification, or ability to refer, to accept any referral, to present a bill or claim, or to receive payment or reimbursement from any governmental or non-governmental payor, or (b) indicates a Legal Event with which the Noticing Party desires further compliance, then, in either event, the Noticing Party may give the other party thirty (30) days prior notice of its intent to propose an amendment or its intent to terminate this Lease. The Noticing Party may propose an amendment to this Lease to take into account the Legal Event, and, if accepted by the other party prior to the end of the thirty (30) day notice period, this Lease shall be amended as of the date of such acceptance and if not amended shall automatically terminate.
- (i) **Quiet Enjoyment.** Landlord covenants and warrants that it has the full right and lawful authority to enter into this Lease for the Term; that Landlord is lawfully seized of the Premises and has good title thereto, free and clear of all tenancies

and encumbrances; and that Tenant shall have quiet and peaceable possession of the Premises during the Term.

- (j) **Signage.** Tenant shall have the right, at Tenant's sole cost and expense, to install signage on the façade of the Building provided such signage is in accordance with all applicable laws and ordinances. Tenant may, at Tenant's expense, have fabricated a plastic sign to be used in the pylon sign located at the front of the property in the area that currently reads "Carpetland". Landlord must approve Tenant's sign layout (which approval will not be unreasonably withheld, conditioned or delayed). There will be no additional charge for the use of the pylon sign.
- (k) **ADA Compliance.** Notwithstanding anything to the contrary in this Lease, Landlord shall, at Landlord's own cost and expense, cause the structure of the Premises to comply in all material respects with the Americans with Disabilities Act of 1990, as now or hereafter amended, and the rules and regulations from time to time promulgated thereunder (hereinafter collectively referred to as the "Act"). Landlord hereby agrees to defend, indemnify and hold Tenant harmless from and against any and all claims, demands, actions, damages, fines, judgments, penalties, costs (including attorney's and consultant's fees) liabilities and losses resulting from Landlord's failure to comply with the Act in accordance with this Paragraph 18(k). Tenant shall notify Landlord of any failure to comply with the Act as required under this Lease to the extent Tenant has knowledge of the same. The provisions of this paragraph shall survive the expiration or other termination of this Lease.
- (l) **Force Majeure.** Neither party will be responsible for delays resulting from causes beyond the reasonable control of such party, including fire, explosion, flood, war, strike, terrorism acts, or riot, provided that the nonperforming party uses commercially reasonable efforts to avoid or remove such causes of nonperformance and continues performance under this Lease with reasonable dispatch whenever such causes are removed.
- (m) **Waiver.** No party shall be deemed to have waived compliance by another party of any provision of this Lease unless such waiver is contained in a written instrument signed by the waiving party and no waiver that may be given by a party will be applicable except in the specific instance for which it is given
- (n) **Construction and Interpretation.** Both parties acknowledge and agree that each party has had the benefit of competent, independent legal counsel and other advisors, and that each party has had an equal right to negotiate the terms and participate in the drafting of this Lease. If any ambiguity or question of intent or interpretation arises, no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Lease.

- (o) **Counterparts.** This Lease may be executed in one or more counterparts, each of which shall be deemed to be an original copy of this Lease and all of which, when taken together, shall be deemed to constitute one and the same agreement. Executed versions of this Lease may be delivered by the parties via facsimile transmission or email, either or both of which shall constitute delivery of an original.
- (p) **Entire Agreement.** This Lease embodies the entire agreement and understanding of the parties related to its subject matter and supersedes all prior proposals, understandings, agreements, correspondence, arrangements and contemporaneous oral agreements relating to subject matter of this Lease. No representation, promise, inducement or statement of intention has been made by any party that has not been embodied in this Lease.
- (q) **Holding Over.** Should Tenant hold over at the Premises after termination of this Lease, by lapse of time or otherwise, Tenant shall be a tenant from month to month, at the same rental and otherwise under the same terms and conditions in force at the expiration of this Lease. Either party may terminate that month to month tenancy at any time by delivering sixty (60) days' prior notice of that party's intent to terminate to the other party.
- (r) **Landlord W-9.** Landlord shall execute and deliver to Tenant an Internal Revenue Service form W-9 on the Effective Date.
- (s) **Information for Tenant Insurance.** Schedule 1 to this Lease contains certain information about the Premises and Building that Tenant needs in order to obtain the insurance required by this Lease.
- (t) **Memorandum of Lease.** Landlord shall execute, acknowledge and record, within a reasonable period of time after Tenant's request, a Memorandum of Lease summarizing the basic information in this Lease. The Memorandum shall be in a form and substance that is acceptable to Tenant in its reasonable discretion.

[Signature page follows]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first set forth above.

LANDLORD:

BABY GIRL PROPERTIES, L.L.C.,
a North Carolina limited liability company

By: Kelly H. Knowles
Name: Kelly H. Knowles
Title: Member

TENANT:

COMMUNITY HOME CARE & HOSPICE,
LLC, a Delaware limited liability company

By: [Signature]
Name: _____
Title: _____

Exhibit A
Legal Description
[See Attached]

EXHIBIT "A"

BEING that tract of 0.742 acres as described in Plat Cabinet M, Slide 32-H of the Wayne County Registry.

The above described parcel is subject to and has access to easements for the purpose of ingress, egress, and regress, said easements being described as follows:

Easement No. 1. BEGINNING at an iron stake on the Northern right of way of Wayne Memorial Drive (N. C. Secondary Road No. 1556), said beginning point being located N. 73° 57' 30" E. 187.47 feet, N. 73° 01' 33" E. 12.50 feet, N. 72° 46' 52" E. 298.68 feet from a point within the most Northeastern intersectional corner of Lockhaven Drive and Wayne Memorial Drive (N. C. Secondary Road No. 1556); thence from the beginning leaving the Northern right of way of Wayne Memorial Drive (N. C. Secondary Road No. 1556), N. 35° 21' 23" W. 185.82 feet to an iron stake; thence N. 73° 13' 30" E. 31.65 feet to a nail; thence continuing N. 73° 13' 30" E. 31.65 feet to a point; thence S. 35° 21' 23" E. 185.30 feet to a point on the Northern right of way of Wayne Memorial Drive (N. C. Secondary Road No. 1556); thence with said right of way, S. 72° 46' 52" W. 31.57 feet to a nail; thence continuing and with said right of way, S. 72° 46' 52" W. 31.57 feet to an iron stake on the Northern right of way of Wayne Memorial Drive (N. C. Secondary Road No. 1556), the point of beginning containing 11,134 square feet or 0.256 acre more or less.

Easement No. 2. BEGINNING at a point, said beginning point being located N. 73° 57' 30" E. 187.47 feet, N. 73° 01' 33" E. 12.50 feet, N. 72° 46' 52" E. 298.68 feet, N. 35° 21' 23" W. 167.38 feet from a point within the most Northeastern intersectional corner of Lockhaven Drive and Wayne Memorial Drive (N. C. Secondary Road No. 1556), and said beginning point being located N. 35° 21' 23" W. 167.38 feet from an iron stake on the Northern right of way of Wayne Memorial Drive (N. C. Secondary Road No. 1556); thence from the beginning N. 35° 21' 23" W. 12.66 feet to a point, said point being located S. 35° 21' 23" E. 5.78 feet from an iron stake in the Southern property line of the property of UDRT of North Carolina, LLC; thence S. 73° 13' 30" W. 64.63 feet to a point, said point being located S. 16° 46' 30" E. 5.48 feet from an iron stake in the Southern property line of the property of UDRT of North Carolina, LLC; thence S. 16° 46' 30" E. 12.00 feet to a point; thence N. 73° 13' 30" E. 68.66 feet to a point, the point of beginning containing 800 square feet or 0.018 acre more or less.

Exhibit B
Depiction of the Premises
[See Attached]

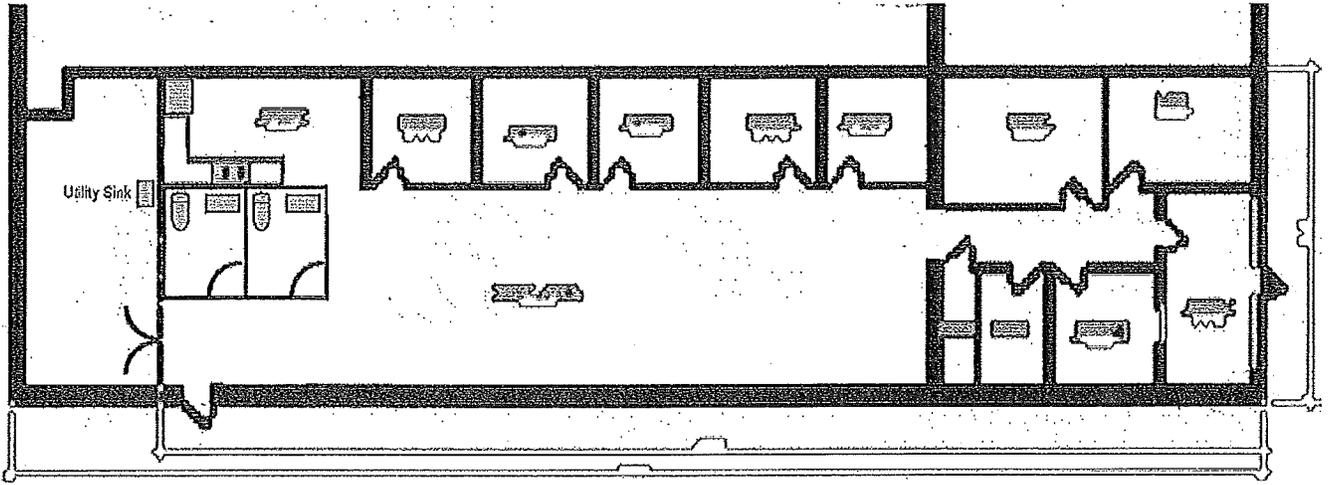


Exhibit C
Executed Landlord W-9
[See Attached]

Request for Taxpayer Identification Number and Certification

Give Form to the
 requester. Do not
 send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) Kelly H Knowles	
	Business name/disregarded entity name, if different from above Baby Girl Properties, LLC	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input checked="" type="checkbox"/> Other (see instructions) ▶ _____ Disregarded Entity	
	Exemptions (see instructions): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____	
	Address (number, street, and apt. or suite no.) 102 Hilldate Lane City, state, and ZIP code Goldsboro, NC 27534 List account number(s) here (optional) _____	
Requester's name and address (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number	
Employer identification number	
2	7
-	2
9	1
0	1
8	6

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below), and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶ <i>Kelly H Knowles</i>	Date ▶ <i>6-9-14</i>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. The IRS has created a page on irs.gov for information about Form W-9, at www.irs.gov/w9. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and

- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

Schedule 1

Premises and Building Information for Tenant Insurance

Building Construction:	Metal structure with brick façade
Building Age:	38 years
Number of Stories in Building:	One
Premises Square Footage:	3,400
Description of Fire Protection Systems at Building and Premises (e.g., sprinklers, smoke/fire alarms):	Smoke alarms with Knox Lock Box Rapid Entry on building exterior with master key for Fire Dept; no sprinklers



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt
Division Director

September 19, 2014

Ms. Yvonne R. Tocco
Curo Health Services
491 Williamson Road
Suite 204
Mooresville, NC 28117

No Review

Facility or Business: Community Home Care & Hospice, LLC d/b/a Community Home Care and Hospice
Project Description: Relocate of Community Home Care and Hospice within the same county
County: Wayne County
FID #: 020174

Dear Ms. Tocco:

The Certificate of Need Section (CON Section) received your letter(s) of September 1, 2014 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

Moreover, you need to contact the Acute and Home Care Licensure and Certification Sections of the Division of Health Service Regulation to determine if they have any requirements for the relocation of the existing Home Care and Hospice Agency.

It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by the Certificate of Need Section. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-733-8139

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

An Equal Opportunity/ Affirmative Action Employer



Ms. Tocco
September 19, 2014
Page 2

Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D. # (FID) if the facility is licensed.

Sincerely,

Bernetta Thorne-Williams, Project Analyst

Martha J. Frisone, Interim Chief
Certificate of Need Section

cc: Medical Facilities Planning Branch, DHSR
Acute and Home Care Licensure and Certification Section, DHSR



September 1, 2014

VIA FEDERAL EXPRESS

Mr. Craig Smith, Chief
Certificate of Need Section
Division of Health Service Regulation
North Carolina Department of Health and Human Services
2704 Mail Service Center
Raleigh, North Carolina 27699-2704

Re: Site Relocation for Community Home Care & Hospice, LLC d/b/a Community Home Care and Hospice (License Number: HOS 2361; Facility ID: 020174) (Wilson County/Health Service Area VI)

Dear Mr. Smith:

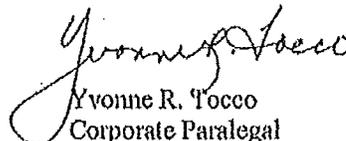
Pursuant to N.C. Gen. Stat. § 131B-184(a), we are writing to notify you that the above-identified hospice agency, currently located at 1201 Wayne Memorial Drive, Unit C, Goldsboro, NC 27534 (the "Current Location"), will be relocating its office to 2309 Wayne Memorial Drive, Goldsboro, NC 27534 (the "New Location"), effective October 1, 2014. The Current Location is operated under license number HOS 2361. Attached for your review is a copy of the lease for the New Location.

This relocation is being made as a result of the termination of the Current Location's lease. The New Location is located approximately 0.7 miles and approximately 2 minutes from the Current Location. As such, both the Current Location and the New Location are within the original service area of the hospice agency. This relocation does not involve any activities that would implicate the definition of "new institutional health service" as that term is defined in N.C. Gen. Stat. § 131B-176(16).

The relocation is scheduled to occur on October 1, 2014. In advance of that date, we would appreciate your written confirmation that the proposed relocation does not require a CON.

Thank you for your time, and if you have any questions or need additional information, please do not hesitate to contact me at (704) 662-0418 or via email at ytocco@curohs.com. We appreciate your consideration of this matter.

Sincerely Yours,


Yvonne R. Tocco
Corporate Paralegal
Curo Health Services

Enclosure